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Bond investors, worried about persistently sticky inflation, have reduced their exposure to longer-dated US Treasuries ahead of the Federal Reserve's two-day monetary policy meeting this week in which it is likely to hold interest rates steady. The US central bank's policy-setting Federal Open Market Committee is widely expected on Wednesday to keep its benchmark overnight interest rate in the 5.25%-5.50% range for a seventh consecutive meeting. In his press conference after the end of the meeting, Fed Chair Jerome Powell is expected to continue emphasizing an easing bias, although he is likely to show little urgency to cut rates in the near term given persistent inflationary pressures and a still robust labor market. The US rate futures market has scaled back expectations for policy easing this year and is now pricing in one 25 basis-point rate cut in 2024, most likely in November or December, according to LSEG calculations.

Euro zone investor morale rises more than expected in June

Investor morale in the euro zone rose for the eighth consecutive month in June, but economic recovery in the bloc is proceeding with difficulty. Sentix's index for the euro zone rose to 0.3 points for June from -3.6 in May. Analysts polled by Reuters had expected it to rise to -1.8 this month. Importantly, the index on expectations saw a rise, increasing from 7.8 in May to 10.0 in June, "providing some encouragement that the trend may continue in the coming weeks", Sentix said. "Germany's economy would have to send out a signal to generate more momentum. However, this signal has yet to materialize," it said. The barometer plunged into negative territory in the wake of Russia's invasion of Ukraine last February.

China's central bank to return to gold buying as prices ease, analysts say

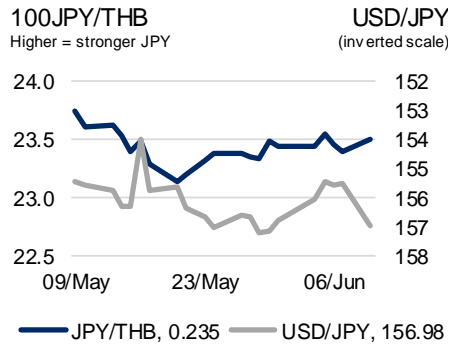
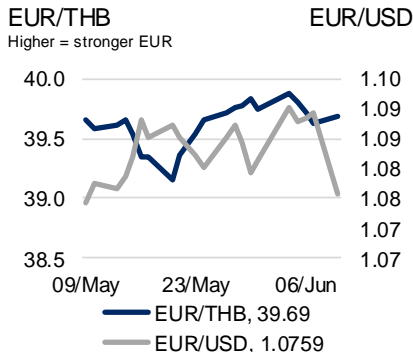
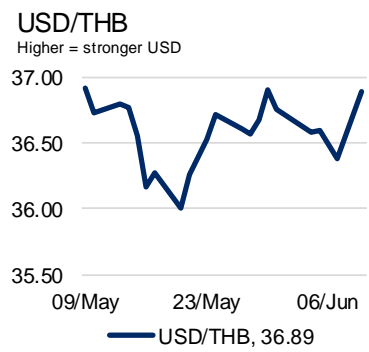
China, the biggest official sector buyer of gold, is expected to resume its bullion shopping spree once prices ease from the record highs hit in May, as the fundamental case for the metal remains, industry players said at a conference this week. After adding to its gold reserves for 18 consecutive months, official data from the People's Bank of China (PBOC) showed its holdings were unchanged in May, sending global spot prices down sharply on Friday. Benchmark spot gold traded around \$2,300 per ounce on Monday after its biggest daily drop in 3-1/2 years in the wake of China's data on holdings. The market hit a record \$2,449.89 per ounce on May 20, driven by interest rate cut expectations and firm central bank buying, fuelled by geopolitical tensions. The PBOC controls the amount of gold entering China via quotas to commercial banks.

Euro slumps on political uncertainty; dollar looks to Fed meeting

The 10-year government bond yield (interpolated) on the previous trading day was 2.79, +1.49 bps. The benchmark government bond yield (LB31DA) was 2.78, +0.00 bps. Meantime, the latest closed US 10-year bond yields was 4.47, +4.00 bps. USDTHB on the previous trading day closed around 36.89. Moving in a range of 36.75-36.79 this morning. USDTHB could be closed between 36.70-36.90 today. The single currency slumped Monday after the results from the European Parliament elections, which concluded on Sunday. This prompted French President Emmanuel Macron to call a snap legislative election, taking a gamble to try to reestablish his authority by calling after sharp gains by far-right political rival Marine Le Pen. The US dollar edged lower Monday, handing back some of Friday's strong gains, as traders awaited the latest Federal Reserve meeting as well as the release of the latest inflation data. The greenback received a boost late last week, climbing to a near one-month high, after data showed stronger than expected growth in nonfarm payrolls in May, reducing the perceived chances of rate cuts by the Federal Reserve this year.

Sources : ttb analytics , Bloomberg, CNBC, Trading Economics, Investing, CEIC

SET Index	1,318.6	S&P500	5,360.8	10Y UST	4.47%	Brent	79.6	Gold	2,297.7
10-Jun	▼ -1.07%	10-Jun	▲ 0.15%	10-Jun	▲ 4.0 bps	7-Jun	▼ -0.31%	10-Jun	▼ -1.74%
USD/THB	36.89	EUR/THB	39.69	JPY/THB	0.2350				
Daily ▲ 1.38%	Weekly ▲ 0.86%	Daily ▲ 0.15%	Weekly ▼ -0.47%	Daily ▲ 0.43%	Weekly ▲ 0.28%				
Monthly ▼ -0.07%	Monthly ▲ 0.07%	Monthly ▲ 0.07%	Monthly ▼ -0.03%	Monthly ▼ -1.03%					



Sources: ttb analytics, TMB Treasury, CEIC, ThaiBMA, Bloomberg, CNBC, BBC, Reuters, Bangkokbiznews, FX data: BoI's daily closing rates

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Currency Market

Currency	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Dollar Index		104.08	-1.1%	-0.8%	-1.4%	104.08	105.71
EUR/USD		1.0892	0.1%	0.7%	1.4%	1.0714	1.0902
USD/JPY		155.49	-0.1%	-0.8%	0.3%	153.03	157.20
USD/CHF		0.8897	-0.1%	-1.6%	-2.1%	0.8897	0.9154
GBP/USD		1.2795	-0.1%	0.6%	2.4%	1.2491	1.2803
USD/CAD		1.3667	-0.1%	-0.1%	-0.6%	1.3609	1.3749
AUD/USD		0.6668	0.0%	0.6%	1.4%	0.6531	0.6698
NZD/USD		0.6197	-0.1%	1.2%	3.4%	0.5930	0.6205
ASEAN Dollar		106.14	0.0%	0.5%	0.2%	104.66	106.54
USD/THB		36.38	-0.3%	-1.0%	-1.6%	36.01	36.98
USD/SGD		1.3446	-0.1%	-0.5%	-0.8%	1.3429	1.3592
USD/MYR		4.6917	0.0%	-0.3%	-1.1%	4.6814	4.7622
USD/IDR		16,171	-0.2%	-0.1%	1.2%	15,895	16,209
USD/PHP		58.81	-0.1%	0.0%	2.3%	57.47	59.01
USD/CNY		7.2426	0.0%	-0.1%	0.3%	7.2035	7.2566
USD/HKD		7.8059	0.0%	-0.2%	-0.1%	7.7966	7.8194

FX Swap Market and BoT's Reserves

USTH FX Sp	1M History	Last	%Chg(1D)
1-month		0.35	-0.20
3-month		1.10	-0.30
6-month		2.00	-0.40

Reserves (\$mn)	3M History	Last	\$mn Chg(1W)
Total		224,334	-793
Gold		17,550	-51
SDR		5,470	-1
IMF Reserves		1,115	0
Foreign Ccy		200,199	-741
Net Fwd Position		28,350	430

Last update: 31/05/2024

Foreign Fund Flows (THB.mn)

Date	Equity	Bond	Total
10/06/2024	-1,613	-1,252	-2,865
07/06/2024	-496	-162	-657
06/06/2024	-3,185	-331	-3,515
05/06/2024	-121	2,528	2,407
04/06/2024	-2,243	993	-1,251
Last 5 days	-7,658	1,776	-5,882

	Period-to-date	Equity	Bond	Total
MTD	Month	↓ -7,658	↑ 1,776	↓ -5,882
QTD	Quarter	↓ -20,491	↓ -5,060	↓ -25,551
YTD	Year	↓ -89,818	↓ -33,638	↓ -123,455

Money Market

THB BIBOR	1M Hist	Last	1M Range		THB FIX	1M Hist	Last	1M Range		USD LIBOR	1M Hist	Last	1M Range	
			Min	Max				Min	Max				Min	Max
ON		2.50	0.00	2.50	ON		1.72	1.14	1.72	ON		0.07	0.07	0.08
1W		2.52	0.00	2.53	1W		1.61	0.22	1.61	1W		0.00	0.00	0.09
1M		2.55	0.00	2.55	1M		1.59	0.88	1.72	1M		0.11	0.08	0.11
2M		2.60	0.00	2.61	2M					2M		0.00	0.00	0.15
3M		2.65	0.00	2.65	3M		1.81	1.09	1.82	3M		0.26	0.11	0.26
6M		2.71	0.00	2.73	6M		1.95	1.31	1.99	6M		0.44	0.15	0.44
12M		2.81	0.00	2.84	12M		2.26	1.59	2.26	12M		0.80	0.22	0.80

Last Updated: 29/06/2023

Last Updated: 09/03/2022

Note: D=d=day; M=mth=month; Y=year; %chg = percentage change; chg = change; USTH FX Sp = USD/THB FX Swap point; \$mn=million US dollar; THB.mn= Thai baht million; Hist=history; THB implied = Thai baht rate that are calculated by FX forward rate; ASEAN Index = value average ASEAN FX Jan2008=100

Fixed Income	1M History	YTM (%)	Bps Chg (1D)	Bps Chg (1W)	Bps Chg (1M)	1M Range	
						Min	Max
UST10y		4.6200	31.00	48.00	77.00	3.69	4.93
Gilt 10y		4.2351	34.34	38.76	-3.01	3.48	4.63
Bund 10y		2.5300	16.00	22.00	12.00	2.10	2.95
JGB 10y		0.8710	10.10	30.80	47.80	0.39	0.92
TGB 1y		2.3330	0.31	1.06	4.61	2.28	2.34
TGB 2y		2.3718	-0.15	-1.17	2.53	2.34	2.41
TGB 5y		2.5106	-0.55	-0.91	-3.35	2.47	2.55
TGB 7y		2.6374	-2.02	-3.29	-2.20	2.60	2.67
TGB 10y		2.7776	-1.31	-4.01	0.26	2.73	2.84
AAA Spread		59.24	0.40	-3.49	-13.63	58.84	73.91
AA Spread		75.70	-3.75	-0.16	-4.44	67.08	85.02
A Spread		113.04	-2.01	4.15	-10.13	108.17	127.52
BBB Spread		235.74	-0.51	0.05	-1.93	234.24	239.74

Note: UST = US Treasury; Gilt = UK Government Bond; JGB = Japanese Government bond; Bund = German Government Bond; TGB = Thai government Bond; tenors of the bonds are put after their name; bps=basis point; Corporate spreads are Thai and reported in basis points over government bond for the tenors 3-5 years.

Commodity Market

Commodity	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
Brent Crude		79.62	-0.3%	-2.5%	-5.1%	77.52	84.22
London Gold		2297.7	-1.7%	-1.2%	-0.5%	2,297.7	2,444.4

Note: Unit of Brent crude oil price is \$/barrel; unit of gold price is \$/ounce

Equity Market

Equity Index	1M History	Last	%Chg (1D)	%Chg (1W)	%Chg (1M)	1M Range	
						Min	Max
S&P500 (US)		5,267.8	0.0%	5.0%	2.5%	4,967.2	5,308.2
STOXX (EU)		519.5	0.9%	3.5%	10.2%	455.6	523.9
FTSE All-Share(UK)		4,088.1	0.8%	2.6%	2.4%	3,954.4	4,172.4
DAX (DE)		17,860.8	-2.9%	7.8%	12.1%	14,716.5	18,403.1
CAC All-Tradable(FR)		5,944.2	-1.4%	9.3%	8.2%	5,036.7	6,030.5
TOPIX (JP)		2,677.5	-1.4%	6.1%	16.7%	2,161.5	2,714.5
Shanghai (CH)		3,219.9	2.0%	4.8%	-4.9%	3,051.1	3,449.8
Hang Seng (HK)		16,385.9	-0.9%	0.5%	-16.4%	15,566.2	20,078.9
ASX 200 (AU)		7,567.3	-2.8%	2.4%	4.4%	6,812.3	7,782.5
SET (TH)		1,366.9	-0.7%	-3.3%	-10.2%	1,359.3	1,565.9
SET50 (TH)		839.6	-0.5%	-3.2%	-9.3%	829.4	966.2
Straits Times (SG)		3,176.5	-2.2%	-0.3%	-1.0%	3,071.3	3,309.9
FTSE Malay (MY)		1,544.8	0.6%	3.9%	10.9%	1,374.6	1,552.4
JSX Index (ID)		7,164.8	-2.3%	-1.9%	8.2%	6,619.8	7,331.1
PSE Index (PH)		6,444.1	-7.4%	-3.5%	-0.1%	5,989.3	6,960.4
Vn Index (VN)		1,193.0	-6.9%	2.7%	5.2%	1,075.0	1,281.5

Sources: ttb analytics, CEIC

Note: A = actual, P = previous; C = consensus

Important Disclosures

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